

id: 49098  
date: 1/4/2006 14:08  
refid: 06DAMASCUS68  
origin: Embassy Damascus  
classification: CONFIDENTIAL  
destination: 06DAMASCUS5567|06DAMASCUS6224  
header:  
VZCZCXRO2381  
OO RUEHBC RUEHDE RUEHKUK RUEHMOS  
DE RUEHDM #0068/01 0041408  
ZNY CCCCC ZZH  
O 041408Z JAN 06  
FM AMEMBASSY DAMASCUS  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6460  
INFO RUEHEE/ARAB LEAGUE COLLECTIVE PRIORITY  
RUEHTV/AMEMBASSY TEL AVIV PRIORITY 0694  
RHEHNSC/NSC WASHDC PRIORITY  
RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL PRIORITY  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY  
RHEHAAA/WHITE HOUSE WASHDC PRIORITY  
RUCNDT/USMISSION USUN NEW YORK PRIORITY 0055

----- header ends -----

C O N F I D E N T I A L SECTION 01 OF 02 DAMASCUS 000068

SIPDIS

SENSITIVE  
SIPDIS

NEA/ELA  
NSC FOR ABRAMS/DORAN/SINGH  
TREASURY FOR GLASER/LEBENSON  
EB/ESC/TFS FOR SALOOM

E.O. 12958: DECL: 12/15/2015  
TAGS: EAIR, ECON, ETTC, SY, SANC  
SUBJECT: APPLYING TARGETED SANCTIONS TO SYRIA

REF: A. A: DAMASCUS 5567  
B. REF B: DAMASCUS 6224

Classified By: CDA: Stephen Seche for Reasons 1.5

1. (C) Summary. As post has reported previously, the average Syrian would welcome targeted sanctions that focus on regressive elements within the Asad regime. The best mix in our judgement would be sanctions that are phased, multi-lateral, and widely publicized. Most of our Syrian interlocutors concur that if done correctly, these sanctions would delegitimize those elements within the SARG perceived to be obstacles to change, strengthen progressive elements both within the regime and the wider society, and increase pressure on the SARG to substantively change its

destabilizing behavior. End summary.

2. (C) Financial and travel sanctions that target individuals remain popular with the majority of our Syrian interlocutors (ref A, B). They argue that targeting individuals would make clear for the average Syrian that the international community opposes the regime and its policies, but does not wish to punish the Syrian people. At the same time, targeted sanctions would also help delegitimize those individuals who pose the greatest internal and external threat to progress. Additionally, if designated individuals could neither travel nor conduct legitimate business, they would become an increasing liability for President Bashar al-Asad's regime. Popular resentment against the sanctioned individuals would add to the pressure to change.

3. (C) Syrians we speak with argue that future designations should be multi-lateral. Some tools for doing so already exist. UNSCR 1636 makes provision for designation of individuals named under the Hariri investigation. A case should be made for additional designations under existing or new UNSC resolutions. The USG designated Dhu al Himma as-Shaleesh and Asif Issa as-Shaleesh, cousins of President Asad, under E.O. 13315 ) a derivative of UNSCR 1483 - for their role in procuring defense-related items for Saddam Hussein. We should lobby our allies to pursue similar designations, under the umbrella of new or existing UNSC resolutions of both the Shaleeshes and any new Syrians we designate concerning Lebanon, Iraq, WMD, and the peace process. Though it is unlikely that any significant financial resources would be frozen by these designations (ref B), the naming and shaming of the most recalcitrant elements within the regime would delegitimize them internationally, which in turn, would work to undermine the hardliners domestically.

4. (C) Pursuing multilateral designations would greatly multiply the effectiveness of targeted sanctions, but a carefully timed campaign to widely publicize the designations is equally important. Without media coverage and publicity to raise the profile of designations, the effort would lose its most effective element - name and shame.<sup>8</sup> The Shaleesh case mentioned above is a case in point. Despite the Shaleesh family having a high profile within Syria, very few Syrians at any level are aware the USG imposed financial sanctions on them. The head of one of the leading Sunni business families in Damascus approached us recently to ask why the USG did not aggressively pursue sanctioning criminal elements within the regime. When asked for examples of who should be sanctioned, our contact pointed to Dhu al Himma as-Shaleesh who, he asserted, took much of the 580 million USD in Iraqi funds the Commercial Bank of Syria illegally paid out in 2003 and has yet to reconcile with the Iraqis. Needless to say, our contact was surprised to find out Dhu al Himma as well as his nephew, Asif Issa Shaleesh, were already sanctioned.

5. (C) Phasing in future targeted sanctions can maximize their impact. The first phase could start with those most clearly the architects of objectionable SARG policies relating to Iraq, Lebanon, WMD, and support for the Palestinian rejectionist groups, and then extend to those continuing to support the original group in an ever widening circle. In addition to all of the Mehliis suspects, the first batch of new designees might include a core group of eight to

DAMASCUS 00000068 002 OF 002

ten, such as Asif Shawkat (Asad,s brother-in-law and head of Syrian Military Intelligence), Maher Asad (President Asad,s brother and commander of the Republican Guard), Rami Makhlouf (Asad,s first cousin and Syria,s poster boy for corruption), Mohammad Makhlouf (Rami,s father), Riyad Issa Shaleesh (principal director of SES International ) an entity already designated under E.O. 13315; in addition, we should push our allies to sanction the other two Shaleeshes mentioned above), Hisham Ikhtiyar (chairman of the Regional Command's National Security Bureau), Abdel Fatah Qudsia (Presidential advisor on Palestinian issues), and Mohammad Suleiman (Presidential advisor responsible for procurement). A second tranche of designations could then move on to this group's lieutenants and business partners.

6. (C) Most Syrians we talk to believe that President Asad still represents their best hope for change without instability. It is their fear of instability that stops the majority of Syrians from pushing harder for internal change. For this reason, they argue that sanctions focusing on individuals would help empower Asad to scuttle the regime,s pariahs. According to this school of thought, Bashar himself should not be designated at this point as it would limit our options and signal that the USG is intent on regime change, greatly limiting the number of Syrians willing to join us in pressuring the SARG for change.

7. (C) Comment. Pursuing targeted sanctions would send a powerful message to the regime and those associated with it: "if you are perceived to be proponents of the policies causing regional instability, you will be designated. If you provide aid and assistance to those designated, you risk designation yourself." Both internal and external pressure on the regime to change would likewise increase incrementally as the number of designations increased. If conventional Syrian wisdom is correct, the obstacles stopping Bashar from doing the right thing would proportionally decrease as targeted sanctions progressed. Even if that view is wrong, the same result will occur, as the supports of Bashar,s failed policies are eroded. In the end, the USG will advance its policy objectives by undermining the regime,s ability to pursue policies at odds with regional stability.

SECHE

=====CABLE ENDS=====